

THE NATIONAL ARCHIVES FEDERAL REGISTER OF THE UNITED STATES

1934

VOLUME 19 NUMBER 227

Washington, Tuesday, November 23, 1954

TITLE 3—THE PRESIDENT EXECUTIVE ORDER 10577

AMENDING THE CIVIL SERVICE RULES AND AUTHORIZING A NEW APPOINTMENT SYSTEM FOR THE COMPETITIVE SERVICE

By virtue of the authority vested in me by the Constitution, by section 1753 of the Revised Statutes (5 U. S. C. 631), by the Civil Service Act of January 16, 1883 (22 Stat. 403), by section 301 of title 3 of the United States Code, and as President of the United States, it is hereby ordered as follows:

PART I—CIVIL SERVICE RULES

SECTION 101. The Civil Service Rules are hereby amended to read as follows:

RULE I—COVERAGE AND DEFINITIONS

SEC. 1.1 *Positions and employees affected by these Rules.* These Rules shall apply to all positions in the competitive service and to all incumbents of such positions. Except as expressly provided in the Rule concerned, these Rules shall not apply to positions and employees in the excepted service.

SEC. 1.2 *Extent of the competitive service.* The competitive service shall include: (a) All civilian positions in the executive branch of the Government unless specifically excepted therefrom by or pursuant to statute or by the Civil Service Commission (hereafter referred to in these Rules as the Commission) under section 6.1 of Rule VI; and (b) all positions in the legislative and judicial branches of the Federal Government and in the Government of the District of Columbia which are specifically made subject to the civil-service laws by statute. The Commission is authorized and directed to determine finally whether a position is in the competitive service.

SEC. 1.3 *Definitions.* As used in these Rules:

(a) "Competitive service" shall have the same meaning as the words "classified service", or "classified (competitive) service", or "classified civil service" as defined in existing statutes and executive orders.

(b) "Competitive position" shall mean a position in the competitive service.

(c) "Competitive status" shall mean basic eligibility to be noncompetitively

selected to fill a vacancy in a competitive position. A competitive status shall be acquired by career-conditional or career appointment through open competitive examination upon satisfactory completion of a probationary period, or may be granted by statute, executive order, or the Civil Service Rules without competitive examination. A person with competitive status may be promoted, transferred, reassigned, reinstated, or demoted without taking an open competitive examination, subject to the conditions prescribed by the Civil Service Rules and Regulations.

(d) An employee shall be considered as being in the competitive service when he has a competitive status and occupies a competitive position unless he is serving under a temporary appointment: *Provided*, That an employee who is in the competitive service at the time his position is first listed under Schedule A, B, or C shall be considered as continuing in the competitive service as long as he continues to occupy such position.

(e) "Tenure" shall mean the period of time an employee may reasonably expect to serve under his current appointment. Tenure shall be granted and governed by the type of appointment under which an employee is currently serving without regard to whether he has a competitive status or whether his appointment is to a competitive position or an excepted position.

SEC. 1.4 *Extent of the excepted service.* (a) The excepted service shall include all civilian positions in the executive branch of the Government which are specifically excepted from the requirements of the Civil Service Act or from the competitive service by or pursuant to statute or by the Commission under section 6.1 of Rule VI.

(b) "Excepted service" shall have the same meaning as the words "unclassified service", or "unclassified civil service", or "positions outside the competitive civil service" as used in existing statutes and executive orders.

(c) "Excepted position" shall have the same meaning as "unclassified position", or "position excepted by law", or "position excepted by executive order", or "position excepted by Civil Service Rule", or "position outside the competitive serv-

(Continued on next page)

CONTENTS THE PRESIDENT

Executive Order	Page
Amending Civil Service Rules and authorizing new appointment system for competitive service.	7521

EXECUTIVE AGENCIES

Agriculture Department	
<i>See also</i> Commodity Credit Corporation.	
Notices:	
Disaster assistance; delineation and certification of counties contained in drought areas.	7546
Rules and regulations:	
Financing of commercial sales of surplus agricultural commodities for foreign currencies.	7526
Alien Property Office	
Notices:	
Vested property, intention to return:	
Kriegler, Abraham Moshe (Maurice)	7550
Marchand, Jean Joseph	
Martin Lambert	7550
Civil Service Commission	
Rules and regulations:	
Civil Service Rules, revision of; cross reference.	7526
Coast Guard	
Rules and regulations:	
Purchasing procedures, contracts; miscellaneous amendments.	7540
Commerce Department	
<i>See</i> Federal Maritime Board.	
Commodity Credit Corporation	
Rules and regulations:	
Loan and purchase agreement programs, 1954-crop; support rates:	
Grain sorghums	7536
Wheat	7536
Schedules of rates for cigar filler and binder tobacco.	7536
Federal Communications Commission	
Notices:	
Canadian broadcast stations; list of changes, proposed changes, and corrections in assignments.	7547

FEDERAL REGISTER

Published daily, except Sundays, Mondays, and days following official Federal holidays, by the Federal Register Division, National Archives and Records Service, General Services Administration, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500, as amended; 44 U. S. C., ch. 8B), under regulations prescribed by the Administrative Committee of the Federal Register, approved by the President. Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

The regulatory material appearing herein is keyed to the Code of Federal Regulations, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended August 5, 1953.

The FEDERAL REGISTER will be furnished by mail to subscribers, free of postage, for \$1.50 per month or \$15.00 per year, payable in advance. The charge for individual copies (minimum 15¢) varies in proportion to the size of the issue. Remit check or money order, made payable to the Superintendent of Documents, directly to the Government Printing Office, Washington 25, D. C.

There are no restrictions on the republication of material appearing in the FEDERAL REGISTER.

CFR SUPPLEMENTS (For use during 1954)

The following supplements are now available:

Titles 1-3 (\$0.55)

General Index (\$1.25)

All of the cumulative pocket supplements and revised books of the Code of Federal Regulations (as of January 1, 1954) are now available

Order from Superintendent of Documents, Government Printing Office, Washington 25, D. C.

CONTENTS—Continued

Federal Credit Unions Bureau	Page
Proposed rule making:	
Proposed miscellaneous amendments	7544
Federal Maritime Board	
Rules and regulations:	
Operators' responsibilities with respect to guarantee clause in new ship construction contracts	7543
Federal Power Commission	
Notices:	
Hearings, etc.:	
Arkansas Louisiana Gas Co.	7545
Panhandle Eastern Pipe Line Co. et al.	7544
Tennessee Production Co. and Tennessee Gas Transmission Co.	7544
Texas Gas Pipe Line Corp. et al.	7545

CONTENTS—Continued

Federal Trade Commission	Page
Rules and regulations:	
Cease and desist orders:	
Bronco Mfg Corp. et al.	7534
Lafayette Foods, Inc.	7535
Snow, K. C., Crop Distributors, Inc., et al.	7531
Splawak, I., & Sons, Inc., et al.	7534
Sutton, O. A., Corp.	7532
Wooster Rubber Co.	7533
Health, Education, and Welfare Department	
See Federal Credit Unions Bureau.	
Interstate Commerce Commission	
Notices:	
Superphosphate from Nebraska to Wichita, Kans.; application for relief	7547
Justice Department	
See Alien Property Office.	
Maritime Administration	
See Federal Maritime Board.	
Securities and Exchange Commission	
Notices:	
Hearings, etc.:	
Capital Administration Co., Ltd.	7550
Eastern Utilities Association	7549
Independence Fund Trust	
Certificates et al.	7549
Patchogue-Plymouth Mills Corp.	7548
Standard Power and Light Corp.	7548
Wisconsin Electric Power Co. and Wisconsin Michigan Power Co.	7547
Social Security Administration	
See Federal Credit Unions Bureau.	
State Department	
Rules and regulations:	
Documentation of nonimmigrant aliens and immigrants; miscellaneous amendments	7537
Tariff Commission	
Notices:	
Hardwood plywood; hearing	7550
Treasury Department	
See Coast Guard.	

CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

Title 3	Page
Chapter II (Executive orders):	
9830 (revoked in part by EO 10577)	7521
9973 (revoked by EO 10577)	7521
10180 (revoked by EO 10577)	7521
10440 (revoked by EO 10577)	7521
10463 (revoked by EO 10577)	7521
10577	7521
Title 5	
Chapter I	7526
Title 6	
Chapter IV:	
Part 421 (2 documents)	7536
Part 464	7536

CODIFICATION GUIDE—Con.

Title 7	Page
Subtitle A:	
Part 11	7526
Title 16	
Chapter I:	
Part 3 (6 documents)	7531-7535
Title 22	
Chapter I:	
Part 41	7537
Part 42	7537
Title 33	
Chapter I:	
Part 116	7540
Part 118	7540
Title 45	
Chapter III:	
Part 301 (proposed)	7544
Part 302 (proposed)	7544
Part 310 (proposed)	7544
Part 315 (proposed)	7544
Part 320 (proposed)	7544
Title 46	
Chapter II:	
Part 247	7543

ice" as used in existing statutes and executive orders.

RULE II—APPOINTMENT THROUGH THE COMPETITIVE SYSTEM

SEC. 2.1 Competitive examinations and eligible registers. (a) The Commission shall be responsible for open competitive examinations for admission to the competitive service which will fairly test the relative capacity and fitness of the persons examined for the position to be filled. The Commission is authorized to establish standards with respect to citizenship, age, education, training and experience, suitability, and physical and mental fitness, and for residence or other requirements which applicants must meet to be admitted to or rated in examinations.

(b) In addition to the names of persons who qualify in competitive examinations, the names of persons who have lost eligibility on a career or career-conditional register because of service in the armed forces, and the names of persons who lost opportunity for certification or who have served under career or career-conditional appointment when the Commission determines that they should be given certification, may also be entered at such places on appropriate registers and under such conditions as the Commission may prescribe.

SEC. 2.2 Appointments. (a) The Commission shall establish and administer a career-conditional appointment system for positions subject to competitive examination which will permit adjustment of the career service to necessary fluctuations in Federal employment, and provide an equitable and orderly system for stabilizing the Federal work force. A competitive status shall be acquired by a career-conditional appointee upon satisfactory completion of a probationary period, but the appointee shall have career-conditional tenure for a period of service to be prescribed by regulation of the Commission.

When an employee has completed the required period of service his appointment shall be converted to a career appointment without time limitation: *Provided*, That his career-conditional appointment shall not be converted to a career appointment if the limitation on the number of permanent employees in the Federal civil service established under subsection (b) of this section would be exceeded thereby. Persons selected from competitive civil service registers for other than temporary appointment shall be given career-conditional appointments: *Provided*, That career appointments shall be given to the following classes of eligibles: (1) Persons whose appointments are required by statute to be made on a permanent basis; (2) employees serving under career appointments at the time of selection from such registers; (3) former employees who have eligibility for career appointments upon reinstatement; and (4) to the extent permitted by law, persons appointed to positions in the field service of the Post Office Department for which salary rates are fixed by the act of July 6, 1945, 59 Stat. 435, as heretofore or hereafter amended and supplemented.

(b) Under the career-conditional appointment system there shall be a limit on the number of permanent employees in the Federal civil service which shall be the ceiling established by section 1310 of the Supplemental Appropriation Act, 1952 (65 Stat. 757), as amended. In the event section 1310, supra, is repealed, the Commission is authorized to fix such limitation on the number of permanent employees in the Federal civil service as it finds necessary to meet the needs of the service.

(c) The Commission may determine the types, duration, and conditions of indefinite and temporary appointments, and may prescribe the method for replacing persons holding such appointments.

Sec. 2.3 Apportionment. Subject to such modifications as the Commission finds to be necessary in the interest of good administration, appointments to positions in agencies' headquarters offices which are located within the metropolitan area of Washington, D. C., shall be made so as to maintain the apportionment of appointments among the several States, Territories, and the District of Columbia upon the basis of population.

Sec. 2.4 Probationary period. Persons selected from registers of eligibles for career or career-conditional appointment shall be required to serve a probationary period under such terms and conditions as the Commission may prescribe.

RULE III—NONCOMPETITIVE ACQUISITION OF STATUS

Sec. 3.1 Classes of persons who may noncompetitively acquire status. (a) Upon recommendation by the agency concerned, and subject to such noncompetitive examination, time limits, or other requirements as the Commission may prescribe, the following classes of persons may acquire a competitive status without competitive examination:

(1) A person holding a permanent position when it is placed in the competitive service by statute or executive order or is otherwise made subject to competitive examination.

(2) A disabled veteran who, in a manner satisfactory to the Commission, has completed a course of training in the executive branch of the Government prescribed by the Administrator of Veterans' Affairs in accordance with the act of March 24, 1943, 57 Stat. 43.

(3) An employee who has served at least two years in the immediate office of the President or on the White House Staff and who is transferred to a competitive position at the request of an agency.

(4) An employee who was serving when his name was reached for certification on a civil-service register appropriate for the position in which he was serving: *Provided*, That the recommendation for competitive status is made prior to expiration of the register on which his name appears or is made during a period of continuous service since his name was reached: *Provided further*, That the register was being used for appointments conferring competitive status at the time his name was reached.

Sec. 3.2 Appointments without competitive examination in rare cases. Subject to receipt of satisfactory evidence of the qualifications of the person to be appointed, the Commission may authorize an appointment in the competitive service without competitive examination whenever it finds that the duties or compensation of the position are such, or that qualified persons are so rare, that, in the interest of good civil-service administration, the position cannot be filled through open competitive examination. Any person heretofore or hereafter appointed under this section shall acquire a competitive status upon completion of at least one year of satisfactory service and compliance with such requirements as the Commission may prescribe. Detailed statements of the reasons for the noncompetitive appointments made under this section shall be published in the Commission's annual reports.

Sec. 3.3 Conversion of appointments. Any person who acquires a competitive status under this Rule shall have his appointment converted to career-conditional appointment unless he meets the service requirement for career appointment prescribed under section 2.2 (a) of Rule II.

RULE IV—PROHIBITED PRACTICES

Sec. 4.1 Prohibition against political activity. No person employed in the executive branch of the Federal Government, or any agency or department thereof, shall use his official authority or influence for the purpose of interfering with an election or affecting the result thereof. No person occupying a position in the competitive service shall take any active part in political management or in political campaigns, except as may be provided by or pursuant to statute. All such persons shall retain the right to

vote as they may choose and to express their opinions on all political subjects and candidates.

Sec. 4.2 Prohibition against racial, political or religious discrimination. No person employed in the executive branch of the Federal Government who has authority to take or recommend any personnel action with respect to any person who is an employee in the competitive service or any eligible or applicant for a position in the competitive service shall make any inquiry concerning the race, political affiliation or religious beliefs of any such employee, eligible, or applicant. All disclosures concerning such matters shall be ignored, except as to such membership in political parties or organizations as constitutes by law a disqualification for Government employment. No discrimination shall be exercised, threatened, or promised by any person in the executive branch of the Federal Government against or in favor of any employee in the competitive service, or any eligible or applicant for a position in the competitive service because of his race, political affiliation or religious beliefs, except as may be authorized or required by law.

Sec. 4.3 Prohibition against securing withdrawal from competition. No person shall influence another person to withdraw from competition for any position in the competitive service for the purpose of either improving or injuring the prospects of any applicant for appointment. The Commission is authorized to take such disciplinary action as it deems appropriate whenever it finds that any person has violated this section.

RULE V—REGULATIONS, INVESTIGATION, AND ENFORCEMENT

Sec. 5.1 Regulations. (a) The Commission is authorized and directed to promulgate and enforce such regulations as may be necessary to carry out the provisions of the Civil Service Act and Rules, the Veterans' Preference Act, and all other applicable statutes or executive orders imposing responsibilities on the Commission.

(b) The Commission is authorized, whenever there shall be practical difficulties and unnecessary hardships in complying with the strict letter of its regulations, to grant a variation from the strict letter of the regulations if such variation is within the spirit of the regulations, and the efficiency of the Government and the integrity of the competitive service are protected and promoted: *Provided*, That whenever such a variation is granted the Commission shall record in the minutes of its proceedings (1) the particular practical difficulty or hardship involved, (2) what is permitted in lieu of what is required by regulation, (3) the circumstances which protect or promote the efficiency of the Government and the integrity of the competitive service, and (4) a statement limiting the application of the variation to the continuation of the conditions which gave rise to the variation: *Provided further*, That similar variations shall be granted whenever similar conditions exist. All minutes approved under authority of

this section shall be published in the Commission's annual reports.

SEC. 5.2 Authority of the Commission to make investigations. The Commission may make appropriate investigations to secure enforcement of the Civil Service Act, Rules, and Regulations, including investigation of the qualifications and suitability of applicants for positions in the competitive service. It may require appointments to be made subject to investigation to enable the Commission to determine, after appointment, that the requirements of law or the Civil Service Rules and Regulations have been met. Whenever the Commission finds that an employee serving under such an appointment is disqualified for Federal employment, it may instruct the agency to remove him, or to suspend him pending an appeal from the Commission's finding: *Provided*, That when an agency removes or suspends an employee pursuant to the Commission's instructions, and the Commission, on the basis of new evidence or on appeal, subsequently reverses the initial decision as to the employee's qualifications and suitability, the agency shall, upon request of the Commission, restore the employee to duty.

SEC. 5.3 Officers and employees to furnish testimony. All officers and employees in the executive branch, and applicants or eligibles for positions therein, shall give to the Commission or its authorized representatives all information and testimony in regard to matters inquired of arising under the laws, rules, and regulations administered by the Commission. Whenever required by the Commission, such persons shall subscribe such testimony and make oath or affirmation thereto before an officer authorized by law to administer oaths.

SEC. 5.4 Enforcement authority of the Commission. (a) Whenever the Commission finds that any person has been appointed to or is holding a position in violation of the Civil Service Act, Rules or Regulations, or that any officer or employee in the executive branch has violated this order or any of the laws, rules or regulations administered by the Commission, it is authorized, after giving due notice and opportunity for explanation to the officer or employee and the agency concerned, to certify the facts to the proper appointing officer with specific instructions as to discipline or dismissal or other corrective action.

(b) Whenever the Commission finds that any officer or employee in the executive branch has failed to adhere to established policies, regulations, and standards relating to personnel management subject to the jurisdiction of the Commission, it shall instruct the agency head to take corrective action.

(c) Whenever, on the basis of an appeal by an employee, the Commission finds that its regulations prescribing procedures to be followed by agencies in connection with adverse actions for disciplinary reasons have not been followed, or that adverse action has been taken for political reasons except as may be required by law, or resulted from discrim-

ination because of marital status, it shall instruct the agency to restore the employee to duty.

(d) Whenever the Commission issues specific instructions as to discipline or dismissal of an officer or employee, or to restore an officer or employee to duty, the appointing officer concerned shall comply with the Commission's instructions.

(e) If the appointing officer fails to carry out the instructions of the Commission issued under section 4 (a) of this Rule, the Commission shall certify the facts to the head of the agency concerned. If the head of the agency fails to carry out the instructions of the Commission within ten days after receipt thereof, the Commission shall certify the facts to the Comptroller General of the United States, and shall furnish a copy of such certification to the head of the agency concerned; and thereafter no payment shall be made of the salary or wages accruing to the employee concerned.

RULE VI—EXCEPTIONS FROM THE COMPETITIVE SERVICE

SEC. 6.1 Authority to except positions from the competitive service. (a) The Commission is authorized to except positions from the competitive service whenever it determines that appointments thereto through competitive examination are not practicable. Upon the recommendation of the agency concerned, it may also except positions which are of a confidential or policy-determining character. Such exceptions from the competitive service shall be effective upon publication thereof in the *FEDERAL REGISTER*. Positions excepted by the Commission shall be listed in Schedule A, B, or C as provided for in section 6.2 of this Rule, and shall also be listed in the Commission's annual report for the fiscal year in which the exceptions are made.

(b) The Commission shall decide whether the duties of any particular position are such that it may be filled as an excepted position under the appropriate schedule.

SEC. 6.2 Schedules of excepted positions. The Commission shall list positions that it excepts from the competitive service in Schedules A, B, and C, which schedules shall constitute parts of this Rule, as follows:

Schedule A. Positions other than those of a confidential or policy-determining character for which it is not practicable to examine shall be listed in Schedule A.

Schedule B. Positions other than those of a confidential or policy-determining character for which it is not practicable to hold a competitive examination shall be listed in Schedule B. Appointments to these positions shall be subject to such noncompetitive examination as may be prescribed by the Commission.

Schedule C. Positions of a confidential or policy-determining character shall be listed in Schedule C.

SEC. 6.3 Method of filling excepted positions and status of incumbents. (a) The head of an agency may fill excepted positions by the appointment of persons without civil service eligibility or competitive status and such persons shall not acquire competitive status by reason of

such appointment: *Provided*, That the Commission, in its discretion, may by regulation prescribe conditions under which excepted positions may be filled in the same manner as competitive positions are filled and conditions under which persons so appointed may acquire a competitive status in accordance with the Civil Service Rules and Regulations.

(b) To the extent permitted by law and the provisions of this Rule, appointments and position changes in the excepted service shall be made in accordance with such regulations and practices as the head of the agency concerned finds necessary.

SEC. 6.4 Removal of incumbents of excepted positions. Except as may be required by statute, the Civil Service Rules and Regulations shall not apply to removals from positions listed in Schedules A and C or from positions excepted from the competitive service by statute. The Civil Service Rules and Regulations shall apply to removals from positions listed in Schedule B of persons who have competitive status.

SEC. 6.5 Assignment of excepted employees. No person who is serving under an excepted appointment shall be assigned to the work of a position in the competitive service without prior approval of the Commission.

SEC. 6.6 Revocation of exceptions. The Commission may remove any position from or may revoke in whole or in part any provision of Schedule A or B, and, with the concurrence of the agency concerned, may remove any position from or may revoke in whole or in part any provision of Schedule C. Such changes shall become effective upon publication thereof in the *FEDERAL REGISTER*.

SEC. 6.7 Movement of persons between the civil-service system and other merit systems. Whenever the Commission and any Federal agency having an established merit system determine it to be in the interest of good administration and consistent with the intent of the civil-service laws and any other applicable laws, they may enter into an agreement prescribing conditions under which persons may be moved from one system to the other and defining the status and tenure that the persons affected shall acquire upon such movement.

RULE VII—GENERAL PROVISIONS

SEC. 7.1 Discretion in filling vacancies. In his discretion, an appointing officer may fill any position in the competitive service either by competitive appointment from a civil-service register or by noncompetitive selection of a present or former Federal employee, in accordance with the Civil Service Regulations. He shall exercise his discretion in all personal actions solely on the basis of merit and fitness and without regard to political or religious affiliations, marital status, or race.

SEC. 7.2 Personnel reports. Each agency shall report to the Commission, in such manner and at such times as the Commission may prescribe, such personnel information as it may request relating to positions and officers and employ-

ees in the competitive service and in the excepted service, whether permanent or career, career-conditional, indefinite, temporary, emergency, or subject to contract.

Sec. 7.3 Reemployment rights. The Commission, whenever it determines it to be necessary, shall prescribe regulations governing the release of employees (both within the competitive service and the excepted service) by any agency in the executive branch of the Government for employment in any other agency, and governing the establishment, granting, and exercise of rights to reemployment in the agencies from which employees are released.

PART II—SPECIAL PROVISIONS FOR TRANSITION FROM INDEFINITE APPOINTMENT SYSTEM TO CAREER-CONDITIONAL APPOINTMENT SYSTEM

Sec. 201. (a) Under such conditions as the Civil Service Commission may prescribe, all employees serving under indefinite appointments in the competitive service on the effective date of this order who were appointed by selection in regular order from appropriate competitive civil-service registers established subsequent to February 4, 1946, shall, as of the effective date of this order, have their appointments converted to career-conditional appointments if they have had less than three years of creditable service, and to career appointments if they have had three or more years of such service since they were appointed: *Provided*, That any such employees who left their positions prior to the effective date of this order to enter the armed forces of the United States and are reemployed in the competitive service after the effective date of this order pursuant to application for employment made within ninety days after honorable discharge, or after hospitalization continuing after discharge for not more than one year, shall have their former indefinite appointments converted to career-conditional or career appointments in accordance with this section: *Provided further*, That employees serving in excepted positions who would meet the conditions for career-conditional or career appointments if they were serving in competitive positions shall be granted competitive status upon completion of a probationary period.

(b) The Commission may prescribe the conditions under which employees who are serving under indefinite appointments in the competitive service on the effective date of this order and who were not appointed by selection in regular order from competitive civil-service registers may be examined and have their names entered on existing competitive civil-service registers. When such employees are within reach for appointment from such registers they shall be eligible for career-conditional appointments if, since they were given indefinite appointments, they have had less than three years of creditable service, and for career appointments if they have had three or more years of such service.

(c) All employees in the competitive service who on the effective date of this order are serving under indefinite appointments made noncompetitively based upon prior service with a competitive status shall, as of the effective date of this order, have their appointments converted to career-conditional appointments if they have had less than three years of creditable service, and to career appointments if they have had three or more years of such service under either permanent or indefinite appointment: *Provided*, That any such employees who left their positions prior to the effective date of this order to enter the armed forces of the United States and are reemployed in the competitive service after the effective date of this order pursuant to application for employment made within ninety days after honorable discharge, or after hospitalization continuing after discharge for not more than one year, shall have their former indefinite appointments converted to career-conditional or career appointments in accordance with this section: *Provided further*, That any such employees in the field service of the Post Office Department whose salary rates are fixed by the act of July 6, 1945, 59 Stat. 435, as heretofore or hereafter amended and supplemented, shall have their appointments converted to career appointments if they are serving in positions in the authorized complement of permanent positions (consisting of regular positions and positions within the authorized quota of substitutes).

(d) The Commission shall define "creditable service" and shall prescribe the conditions for completion of the period of creditable service required for career appointment.

(e) Except as provided in section 201 (c) hereof, this section shall not apply to employees serving under indefinite appointments in the field service of the Post Office Department whose salary rates are fixed by the act of July 6, 1945, 59 Stat. 435, as heretofore or hereafter amended and supplemented.

Sec. 202. (a) Notwithstanding the provisions of section 201 (a) of this order, and subject to such noncompetitive examination or other requirements as the Commission may prescribe, any employee entitled to veteran preference who has a compensable service-connected disability of ten per centum or more may, upon recommendation of the agency concerned, noncompetitively acquire a competitive status subject to completion of a probationary period: *Provided*, That he is serving under an indefinite appointment, a temporary appointment pending establishment of a register, or a temporary appointment for job employment which has been continuous for more than one year: *Provided further*, That recommendation for acquisition of status under this section is made not later than December 31, 1957.

(b) Any employee who is recommended for noncompetitive acquisition of competitive status under section 202 (a) hereof and who satisfies the non-

competitive examination and other requirements of the Commission shall have the appointment under which he is serving converted to a career appointment if he has completed a probationary period or to a career-conditional appointment if he has not completed a probationary period. The career-conditional appointment of such an employee shall be converted to a career appointment upon completion of probation.

(c) An employee in the field service of the Post Office Department whose salary rate is fixed by the act of July 6, 1945, 59 Stat. 435, as heretofore or hereafter amended and supplemented, may not be recommended for competitive status under section 202 (a) hereof unless he can be appointed to a vacancy in the authorized complement of permanent positions (consisting of regular positions and positions within the authorized quota of substitutes). When such an employee is recommended for noncompetitive acquisition of competitive status and satisfies the noncompetitive examination and other requirements of the Commission, his appointment shall be converted to a career appointment subject to satisfactory completion of a probationary period.

Sec. 203. The career-conditional appointment of any employee entitled to veteran preference who has a compensable service-connected disability of ten per centum or more and who is selected in regular order from a competitive civil-service register may, notwithstanding the provisions of section 2.2 (a) of Civil Service Rule II, be converted to a career appointment: *Provided*, That not later than December 31, 1957, the agency in which he is employed so recommends and certifies to the Commission that he has satisfactorily completed a one-year probationary period: *Provided further*, That any such employee who is not certified for career appointment under this section shall have his career-conditional appointment converted to a career appointment when he has completed the service requirements for such appointment prescribed under section 2.2 (a) of Civil Service Rule II.

Sec. 204. In order to effectuate the purposes of section 1310 of the Supplemental Appropriations Act, 1952 (65 Stat. 757), as amended, the Commission shall, after consultation with the agencies concerned, determine the division of allowable permanent appointments within and between the excepted service and the competitive service.

Sec. 205. The Commission shall issue such regulations and instructions as may be necessary to effectuate the purposes of this part.

PART III

Sec. 301. The following-described executive orders and parts of executive orders are hereby revoked:

Part II of Executive Order No. 9830 of February 24, 1947, amending the Civil Service Rules: *Provided*, That the positions listed in Schedules A, B, and C as provided for in Civil Service Rule VI of that order, as amended,

shall be considered as being listed in Schedules A, B, and C, respectively, as provided for in Civil Service Rule VI of this order, unless and until they are removed therefrom by the Commission.

Executive Orders No. 9973 of June 28, 1948, No. 10440 of March 31, 1953, and No. 10463 of June 25, 1953, amending Civil Service Rule VI.

Executive Order No. 10180 of November 13, 1950, establishing special personnel procedures in the interest of national defense.

RULES AND REGULATIONS

TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

REVISION OF CIVIL SERVICE RULES

CROSS REFERENCE: For revision of the Civil Service Rules (§§ 1.1, 2.1-2.3, 3.1, 3.2, 4.1-4.4, 5.1-5.5, 6.1-6.3), see Executive Order 10577, *supra*.

TITLE 7—AGRICULTURE

Subtitle A—Office of the Secretary of Agriculture

PART 11—SALES OF AGRICULTURAL COMMODITIES FOR FOREIGN CURRENCIES

SUBPART A—REGULATIONS GOVERNING THE FINANCING OF COMMERCIAL SALES OF SURPLUS AGRICULTURAL COMMODITIES FOR FOREIGN CURRENCIES

Sec.

- 11.1 Definition of terms.
- 11.2 General statement.
- 11.3 Applications.
- 11.4 Authorizations.
- 11.5 Sub-authorizations.
- 11.6 Commodities eligible for financing.
- 11.7 Methods of financing the sale and exportation of commodities.
- 11.8 Letters of commitment to banking institutions.
- 11.9 Documentation.
- 11.10 Responsibilities of banking institutions.
- 11.11 Price provisions.
- 11.12 Ocean transportation.
- 11.13 Additional responsibilities of importers and suppliers.
- 11.14 Saving clause.
- 11.15 CSS Commodity Offices.

AUTHORITY: §§ 11.1 to 11.15 issued under sec. 102, 68 Stat. 454, E. O. 10560, 19 F. R. 5927. Interpret or apply secs. 2, 101, 68 Stat. 454.

§ 11.1 *Definition of terms.* For the purposes of this subpart:

(a) "The act" shall mean title I of the Agricultural Trade Development and Assistance Act of 1954 (Pub. Law 480, 83d Cong.).

(b) "Form 480-A" shall mean FAS Form 480-A, "Authorization to Purchase Surplus Agricultural Commodities with Foreign Currency," issued to an importing country pursuant to this subpart.

(c) "FAS" shall mean the Foreign Agricultural Service, U. S. Department of Agriculture.

(d) "CCC" shall mean the Commodity Credit Corporation, U. S. Department of Agriculture.

PART IV

SEC. 401. This order shall become effective on the first Sunday after the sixtieth day after the date hereof.

DWIGHT D. EISENHOWER

THE WHITE HOUSE,

November 22, 1954.

[F. R. Doc. 54-9322; Filed, Nov. 22, 1954; 11:42 a. m.]

(e) "AMS" shall mean the Agricultural Marketing Service, U. S. Department of Agriculture.

(f) "CSS" shall mean the Commodity Stabilization Service, U. S. Department of Agriculture.

(g) "CSS Offices" shall mean the CSS Divisions, the CSS Commodity Offices listed in § 11.15, and any other offices or agencies which may succeed to the functions of such offices.

(h) "The Administrator" shall mean the Administrator of the Foreign Agricultural Service or his designee.

(i) "The Controller, CCC" shall mean the Controller, Commodity Credit Corporation, or his designee.

(j) "Importing country" shall mean any nation with which an agreement has been negotiated pursuant to section 101 of the act.

(k) "Importer" shall mean any person or organization, governmental or otherwise, to which an importing country makes a sub-authorization under a Form 480-A.

(l) "Approved applicant" shall mean the applicant named in any letter of commitment issued to a banking institution under this subpart and shall include any agent authorized to act on behalf of such an applicant.

(m) "Supplier" shall mean any person or firm which sells any commodity or furnishes ocean freight or insurance to an importer under the terms of a Form 480-A authorization.

(n) "Banking institution" shall mean a banking institution organized under the laws of the United States, any State, or the District of Columbia.

(o) "Delivery" shall mean the transfer to or for the account of an importer of custody and right of possession of the commodity in export channels (e. g. f. o. b. vessel, c. & f., from consignment stocks, etc.).

§ 11.2 *General statement.* This subpart contains the regulations governing the operation of the program for the sale and exportation of surplus agricultural commodities for foreign currencies under the act, including the submission of applications to purchase agricultural commodities for foreign currency under the act, the issuance of authorizations to purchase, and the financing of the sale and exportation of such commodities through private trade channels. Except in the case of cotton, consignment stocks, i. e., stocks shipped from the United States prior to the date of

sale under this program, will not be financed unless specifically provided for in the Form 480-A authorization. General information pertaining to the operation of this program and forms prescribed for use thereunder can be obtained upon request to the Director, Foreign Trade Programs Division, FAS, U. S. Department of Agriculture, Washington 25, D. C.

§ 11.3 *Applications.* Importing countries desiring to purchase surplus agricultural commodities under the program shall submit applications covering such commodities and containing such information as may have been requested by the Administrator. Applications shall be submitted in quadruplicate, addressed to the Administrator, FAS, U. S. Department of Agriculture, Washington 25, D. C. Supplementary information with respect to applications may be required from time to time.

§ 11.4 *Authorizations.* (a) The Administrator shall provide for review of each application submitted pursuant to § 11.3 to determine whether approval of the application would be in accordance with the provisions of the act and the policies of the U. S. Government. If such determination is favorable, the Administrator will issue a Form 480-A authorization for such procurement as soon as practicable after agreement by the importing country to the terms thereof.

(b) Each Form 480-A will specify the commodity to be purchased; the approximate quantity which may be purchased pursuant to the authorization and whether such commodity or its equivalent must be obtained by suppliers from CCC stocks; the maximum dollar amount; the method of financing and the CSS office which will administer the financing operation on behalf of CCC; the periods during which contracts between importers and suppliers may be entered into and during which deliveries may be made; provisions governing the deposit of the foreign currency purchase price; and any other provisions deemed necessary by the Administrator.

(c) In order to be eligible for financing under the applicable Form 480-A, contracts between importers and suppliers must be entered into within the specified contracting period and deliveries must be made within the specified delivery period, unless an extension of such contracting period or delivery period is granted in writing by the Administrator.

(d) Each Form 480-A issued shall be deemed to include the following provisions:

(1) *Modification or revocation.* The Administrator reserves the right at any time and from time to time, and for any reason or cause whatsoever, to supplement, modify, or revoke any Form 480-A authorization (including the termination of deliveries thereunder). CCC shall reimburse suppliers for costs incurred in connection with firm sales contracts, and not otherwise recovered, as the result of such action by the Administrator: *Provided, however,* That such reimbursement shall not be made to a supplier if the Administrator determines that such action was taken by him because of failure